Mental Health and Financial Wellbeing

Challenge Pack

How can we achieve the five National Goals with maximum benefits for people with mental health issues?

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Money & Pensions Service

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Mental health and financial wellbeing: the five key points everyone needs to know

- One in four UK adults experiences a mental health problem each year.[1] Mental health and money problems are often inextricably linked.
- Mental health problems can affect a person's ability to process information and solve problems, deplete their energy and motivation, and increase impulsive behaviour. People with mental health problems have poorer financial wellbeing.
- Services – whether they are financial, utilities or public – need to make themselves more accessible to people with mental health problems, who can struggle to communicate via some channels.
- The Financial Conduct Authority is developing guidance for financial services on the treatment of vulnerable consumers, including people with mental health problems.
- The Money and Mental Health Policy Institute's report on early interventions for people with mental health problems, and its pilot of mental health accessibility standards, offer real opportunities to improve the situation.

[1] McManus, S., Meltzer, H., Brugha, T. S., Bebbington, P. E., & Jenkins, R. (2009). Adult psychiatric morbidity in England, 2007: results of a household survey. The NHS Information Centre for health and social care

Money and Pensions Service – an overview

Financial wellbeing is good for individuals, communities, businesses and the economy. But poor financial wellbeing, affecting tens of millions of people, is holding the UK back. 11.5m people have less than £100 in savings to fall back on. 9m people often borrow to buy food or pay their bills. 22m people say they don't know enough to plan for their retirement. And 5.3m children do not get a meaningful financial education.

According to the Organisation for Economic Co-operation and Development, figures like these put the UK well down the rankings of G20 countries, behind France, Norway, China, Indonesia and many others.

The 2018 law that set up the Money and Pensions Service (MaPS) gave it the role of co-ordinating a national strategy to address this vital issue in the UK.

MaPS's vision is for **everyone to make the most of their money and pensions.**

Over the past 12 months, MaPS has been working with over 1,000 partners across the UK to develop a UK Strategy for Financial Wellbeing. The Strategy is a roadmap, setting out how different individuals and organisations can work together over the next decade to help millions of people make the most of their money and pensions.

The Strategy was published in January 2020. MaPS is now looking at the Strategy's priority areas in detail, creating specific delivery plans, and setting milestones for the ten-year journey towards better financial wellbeing.

The UK Strategy is about putting financial wellbeing on the map as a part of a national conversation, leveraging existing funding and drawing in new funding, encouraging collaboration and working with the private sector, third sector, regulators, government and others to build a movement to improve financial wellbeing across the UK.

MaPS is an arm's-length body sponsored by the Department for Work and Pensions (DWP). It is committed to providing access to the information and guidance that people across the UK need, to make effective financial decisions over their lifetimes. The organisation also engages with HM Treasury on policy matters relating to financial capability and debt advice.

MaPS brings together the free services that were previously delivered by the Money Advice Service, the Pensions Advisory Service and Pension Wise. MaPS offers customers guidance and appointments over the telephone, online and in person.

As the largest single funder of free debt advice in England, MaPS works alongside partners across the UK to make debt advice easier and quicker to access when and where people need it, and to improve standards and quality across the sector.

The body is responsible for delivering and overseeing pensions dashboards to help people access their pensions information online, in partnership with the DWP.

MaPS leads innovation by managing an extensive programme of research and evaluation, which consumers can use to make decisions regarding their financial wellbeing.

For further information visit the Money and Pensions Service website www.moneyandpensionsservice.org.uk

Overview of the UK Strategy for Financial Wellbeing

Financial wellbeing is about feeling secure and in control. It is about knowing that you can pay your bills today, can deal with the unexpected, and are on track for a healthy financial future. In short, it is about being confident and empowered.

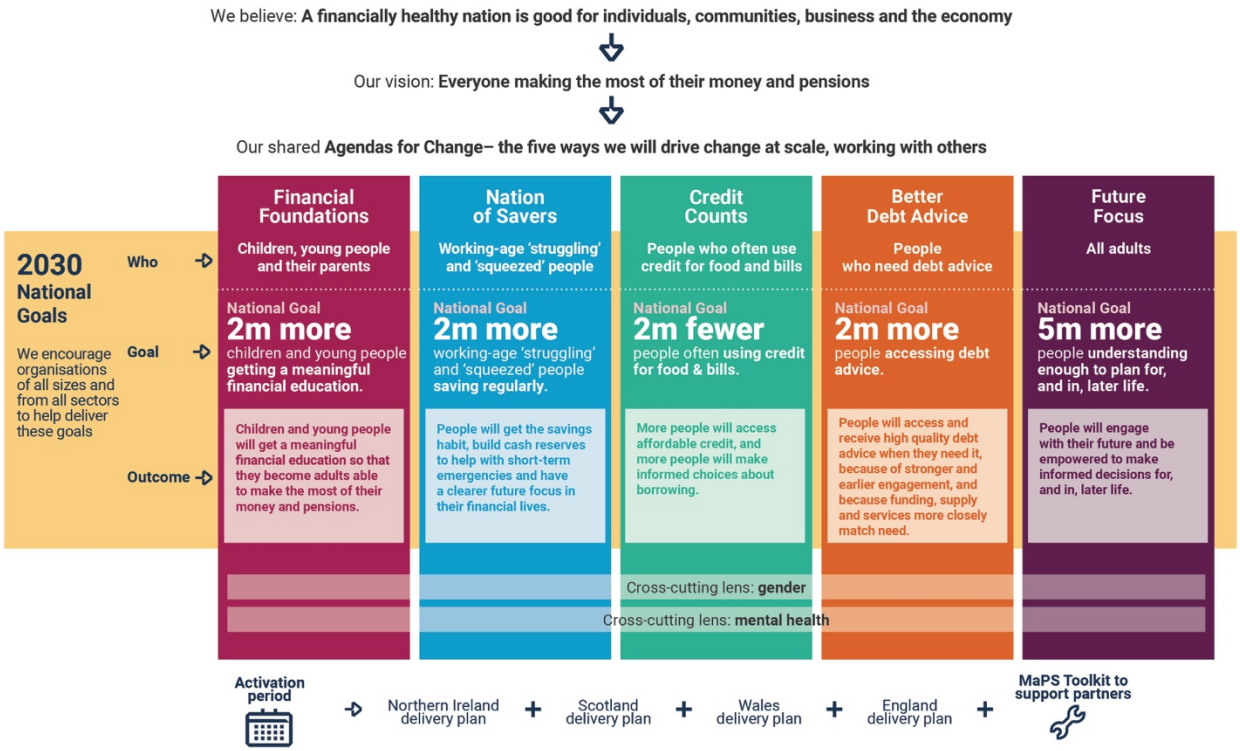
Financial wellbeing matters for all of us – a financially healthy nation is good for individuals, communities, businesses and the economy.

The new UK Strategy for Financial Wellbeing is formed around five agendas for change:

- **Financial Foundations –** more children and young people getting a meaningful financial education;
- **Nation of Savers –** helping working-age 'struggling' and 'squeezed' people to save regularly;
- **Credit Counts –** working to ensure fewer people need to rely on credit to buy food or pay bills;
- **Better Debt Advice –** increasing the supply of debt advice; and
- **Future Focus –** helping people to understand what they need to know to plan for later life.

Across these five agendas for change, the UK Strategy will have an additional focus on women and people with mental health problems, as our research has shown they are particularly susceptible to financial detriment.

The UK Strategy will also establish delivery plans for each of the four nations of the UK to ensure that the specific requirements and policy context of each nation is fully taken into account.



Mental Health and Financial Wellbeing Challenge Group

People experiencing mental health problems typically have poorer financial wellbeing. The Mental Health and Financial Wellbeing Challenge Group will look at the impact of mental health problems across each of the National Goals.

Overview

One in four people experiences mental health problems each year, and people with mental health problems fare much worse when it comes to financial wellbeing.

Many more people experience mental health problems than receive a formal diagnosis. MaPS believes that this wider group is also likely to suffer poorer financial wellbeing, and has made mental health a priority cutting across all the Agendas for Change set out in the UK Strategy for Financial Wellbeing.

Building on the work of the Money and Mental Health Policy Institute, MaPS wants more organisations to build mental health awareness into the design and delivery of their services.

The Mental Health and Financial Wellbeing Challenge Group will look at the impact of mental health across all of the National Goals. While the Group will focus mainly on the four National Goals related to adults, it may also explore links between teenage mental health and money.

Key questions for the Mental Health and Financial Wellbeing Challenge Group to address:

- What would it take to achieve the four National Goals related to adults if the focus was mainly on people with mental health problems?
- How do issues relating to mental health cut across all the priority areas of the UK Strategy (Agendas for Change)?
- How can better service design support more people experiencing mental health problems to engage with financial services and manage money and pensions better?
- How can consumer-focused behaviour change campaigns drive positive financial wellbeing outcomes for people with mental health problems?

Feedback from the MaPS Listening Phase and external stakeholders

Stakeholder feedback has emphasised the fact that mental health problems can make consumers vulnerable. Stakeholders stressed the importance of services being designed with the needs of vulnerable users in mind, with support and advice easily accessible.

Between April and June 2019 MaPS carried out an intensive 'Listening Phase'. This involved engaging a range of stakeholders across the UK, with roadshows and policy roundtables on a number of topics. MaPS also received nearly 40 written responses. Feedback from the Listening Phase has been a vital ingredient in developing the UK Strategy for Financial Wellbeing and MaPS's own Corporate Strategy.

The Listening Report, published in January 2020, sets out the results of the Listening Phase. Feedback of particular relevance to this Challenge Group includes:

- A clear and consistent message that the Financial Wellbeing Strategy should start from the needs of customers and the customer outcomes it is aiming to achieve. Services should be designed with the most vulnerable in mind, which would result in services that work for everyone.
- In discussions around the role of MaPS in relation to vulnerable people, stakeholders recognised mental health problems as a key driver of vulnerability. They urged MaPS to address the needs of consumers with mental health problems in all its strategic work.
- Stakeholders were very clear that MaPS must recognise what is already happening in the wider sector and complement and improve on what exists, rather than duplicating it. MaPS should also look to leverage the activities of others.

Listening Phase contributors also made some specific recommendations, emphasising the need to:

- Design universal services with the needs of people with mental health issues in mind, to ensure that they are truly accessible to all.
- Create partnerships with those organisations best placed to identify and reach people with more severe mental health problems, and offer them tailored support. For example, health and social care services are often in touch with people with mental health problems and want to support them with money problems, because they recognise that this impacts on their recovery.
- Ensure that advice services are as accessible to people with mental health problems as they are to the general population. This would mean being flexible in the timing and location of advice and the range of communication methods available, and making sure that advice providers have appropriate mental health training.
- Work with banks and fintech companies on the development of technologies that make it easier for anyone to manage their money, including people with mental health problems. This might include budgeting apps, browser plug-ins to help control online spending, or opt-in alerts and controls that banks could provide. These should be developed in partnership with people with experience of mental health problems.
- Routinely collect data on how people with mental health problems use MaPS's services and those it commissions, and use this data to improve practice and push for improvements across the sector from partners, firms and regulators.

What do we know about the issues?

One in four UK adults experiences a mental health problem each year.[2] Mental health and money problems are often inextricably linked. Mental health problems can affect a person's ability to process information and solve problems, deplete energy and increase impulsive behaviour. People with mental health problems have lower scores in relation to all of the adult National Goals, particularly those concerned with credit and debt.

Who is affected?

- Mental health problems can affect any one of us. Approximately one in four people in the UK will experience a mental health problem each year.[3] Many more people experience mental health problems than are formally diagnosed.
- Those **diagnosed** with mental health problems are more likely to:[4]
  - be younger (18-44) – 53% of those diagnosed compared to 38% of those not diagnosed;
  - be renting – 40% of those diagnosed compared to 23% of those not diagnosed; and
  - have children living with them – 38% of those diagnosed compared to 32% of those not diagnosed.
- It's notable that these are also the groups that are more likely to be over-indebted.[5]
- In addition to those who have been diagnosed, other people may experience mental health problems but either not receive a diagnosis or be unaware that they are experiencing a mental health problem.
- According to the Money and Mental Health Policy Institute (MMHPI), **a third (36%) of people experiencing a common mental disorder have never received a diagnosis.[6]**

What is the relationship between mental health and money?

Mental health and money problems are often inextricably linked. One type of problem can feed off the other, creating a vicious cycle of growing financial problems and worsening mental health that is hard to escape.

[2] McManus, S., Meltzer, H., Brugha, T. S., Bebbington, P. E., & Jenkins, R. (2009). Adult psychiatric morbidity in England, 2007: results of a household survey. The NHS Information Centre for health and social care

[3] Ibid

[4] Source: MaPS Need survey 2019

[5] Source: Money Advice Service, *A Picture of over-indebtedness*, 2016

[6] McManus Set al (eds.) Mental health and wellbeing in England: Adult Psychiatric Morbidity Survey 2014. NHS Digital. 2016. Covers England only

People with mental health problems are more likely to be in problem debt

- Mental health problems can affect a person's ability to concentrate, process complex information, plan and solve problems and remember necessary steps, as well as depleting energy and motivation. They can also increase impulsive behaviour.
- These symptoms can make it harder to keep on top of finances or to get a good deal in complex markets. Many people with mental health problems report that their spending patterns and ability to make decisions change significantly during periods of poor mental health.
- People experiencing mental health problems are three and a half times more likely to be in problem debt than people without mental health problems.[7]

People with financial difficulties are more likely to experience mental health problems

- Financial difficulties are a common cause of stress, and stigma around debt can mean that people struggle to ask for help and can become isolated. The impact on people's mental health can be particularly severe if they resort to cutting back on essentials, such as heating and eating, or if creditors are aggressive or insensitive when collecting debts.
- **Nearly half (46%) of people in problem debt also have a mental health problem.**

Image source: Money and Mental Health Policy Institute

[7] Holkar M. Mental health problems and financial difficulty. Money and Mental Health Policy Institute. 2019. Derived from Adult Psychiatric Morbidity Survey 2014: covers England only

How do people with mental health problems fare in terms of the National Goals?

People experiencing mental health problems have worse scores[8] in relation to the adult National Goals.

	Mental health problem in last year[9]	Mental health problem in last 2-3 years	No mental health problems in last 3 years
Nation of Savers Save regularly	55%	50%	59%
Future Focus Say they understand enough to plan for later life	44%	42%	47%
Credit Counts Often borrow for food or bills	40%	28%	12%
Better Debt Advice Need debt advice	24%	24%	6%
Better Debt Advice Have accessed the debt advice they need	42%	51%	36%

There are small differences in terms of saving and pensions, but the real differences are seen with credit and debt. People who have experienced mental health problems in the last year are over **three times more likely to use credit for essentials** than those who have not experienced mental-ill-health, and **four times more likely to need debt advice.**

Within those who do need debt advice, people with mental health problems are slightly more likely to have received it than those without mental health problems. Interestingly, those who have experienced mental ill-health in the last 2-3 years are more likely to have received advice than those who have experienced mental ill-health in the last year. This potentially reflects the barriers that can prevent those with symptoms from receiving advice.

[8] By 'worse scores' we mean lower scores for Nation of Savers, Future Focus and Better Debt advice (Have accessed the debt advice they need) and higher scores for Credit Counts and Better Debt Advice (need debt advice)

[9] For the Better Debt Advice goals, the three groups are defined slightly differently – they are: (1) Diagnosed with symptoms in the last year (2) Diagnosed with symptoms in the last 2-3 years (3) Diagnosed with no symptoms in the last three years, or not diagnosed. As the groups are defined slightly differently for the debt goals, comparisons with the non-debt goals are indicative only

What is also notable is that among the overall group of those who need debt advice, people with mental health problems are **typically in worse situations** than those without mental health problems.[10] For example, they are:

- more likely to have experienced emergency issues (75% vs 62%) in the last six months, such as having their phone, gas or electricity cut off (23% vs 13%);
- more likely to have used a pawn broker loan in the last six months (16% vs 9%); and
- more likely to say they can't afford to buy basic household items[11] (38% vs 21%).

What are the drivers of these lower outcomes?

Savings, credit and debt

Common symptoms of mental health problems can make it harder to keep on top of finances. Some symptoms can affect the amount of money an individual has left at the end of the month.

- **Creating a budget** requires cognitive effort and time and planning skills, which present significant challenges for somebody whose motivation is low or whose planning abilities are impaired.
- Low motivation can also reduce a person's ability to **stick to a budget.** For example, somebody might pay over the odds for groceries at their local corner shop because they lack the motivation to travel to their nearest supermarket.
- Lower motivation and impaired attention make it harder to shop around for a good deal, meaning people may **pay more for essential goods and services.**
- These challenges leave many people with mental health problems out of pocket and stuck with services they don't want or need.

This can all impact a person's ability to save and make it harder to use credit appropriately, or to avoid or minimise debt.

Other possible symptoms of poor mental health add to the likelihood that an individual will over-use credit and/ or build up debt:

- A lack of response inhibition, particularly associated with bipolar disorder and attention deficit hyperactivity disorder, can mean a person is more likely to make impulsive decisions without considering the consequences. This could mean a person **spends money on things they cannot afford or do not need.**
- Many people with mental health problems also **take out new credit** during periods of poor mental health that they otherwise wouldn't have applied for. Such new commitments might include **unaffordable credit products** that create a lasting financial burden.
- Constrained planning abilities or memory or attention problems may make it difficult for people to concentrate for long enough to complete simple tasks such as setting up a direct debit, or to remember when payments are due. This can lead to them **missing payments and incurring late fees.**
- A Money and Mental Health Policy Institute (MMHPI) survey of nearly 5,500 people with mental health problems found that, while unwell, 93% spent more than usual and 56% took out a loan that they would not otherwise have taken out.[12]

[10] 'With mental health problems' is defined as having received a diagnosis and experienced symptoms in the last three years. 'Without mental problems' is defined as having not had a diagnosis or having had a diagnosis but no symptoms in the last three years

[11] Source: MaPS Need Survey (2019). Defined as rating themselves 8-10 on a scale of 0-10 in relation to the statement "I often cannot afford to buy basic household items"

[12] Holkar M and Mackenzie P. *Money on Your Mind*. Money and Mental Health Policy Institute. 2016.

Those who need debt advice may experience barriers to receiving it:

- Three quarters (75%) of people who have experienced mental health problems have **serious difficulties engaging with at least one common communication channel** such as using the telephone, face-to-face contact or opening post. If alternative channels aren't offered, these difficulties can prevent people from accessing support.[13]
- People experiencing issues with memory or planning may find it difficult to **schedule and attend appointments.**

When clients with mental health problems do succeed in accessing debt advice, they tend to have worse outcomes than those without. MaPS's evaluation of debt advice clients shows that, 3-6 months after advice, clients with a mental health diagnosis are:[14]

- more likely to say their **situation is a heavy burden** (28% vs 19% without diagnosis);
- more likely to say their **financial situation is worse** (12% vs 7% without diagnosis); and
- more likely to **disagree that they are more in control** (16% vs 9% without diagnosis).

This may be because, as already set out, mental health problems can affect a person's ability to concentrate, process information, solve problems and remember necessary steps, as well as depleting energy and motivation. This could make engaging with an adviser, collecting information, identifying an appropriate solution and working through the necessary steps more difficult.

Pensions

People with mental health problems are slightly less likely to say they understand enough to plan for later life. Whilst the gap is small, ideally it would be closed. The following could be impacting individuals' abilities to make decisions regarding pensions:

- **Making decisions regarding financial options** requires working memory, planning and decision-making skills – all of which can be affected by mental health problems.
- A MMHPI survey of people with mental health problems found that, while unwell, 92% found it **harder to make financial decisions**.[15]
- It also requires people to **understand complex technical information.** This can be more challenging when someone is experiencing mental health problems.
- A MaPS need survey found that only 31% of those with mental health problems find it 'easy to understand financial information', compared to 48% of those without mental health problems.[16]

[13] Holkar M, Evans K and Langston K. *Access essentials*. Money and Mental Health Policy Institute. 2018. Derived from Populus UK-wide online survey of 2,078 people, weighted to be nationally representative

[14] Source: MaPS debt advice evaluation. Surveys conducted with MaPS-funded clients (served between April 2018-March 2019) 3-6 months after advice

[15] Holkar M and Mackenzie P. *Money on Your Mind*. Money and Mental Health Policy Institute. 2016.

[16] Source: Need survey 2019. Those with mental health problems are defined as those diagnosed and experiencing symptoms in the last three years. Those without mental health problems are defined as those not diagnosed or not experiencing symptoms in the last three years. Finding it easy to understand financial information is defined as rating themselves 8-10 on a scale of 0-10 with regards to the statement 'I find it easy to understand information about finances/ financial products'

What are the current policy and regulatory issues?

Recent years have seen an increased focus on the impact of mental health on people's financial wellbeing, reflected both in legislation and the increasing demands of those regulating the financial services industry.

MaPS's obligations in relation to consumers in vulnerable circumstances

Under the Financial Guidance and Claims Act 2018, MaPS is obliged to 'ensure that information, guidance and advice is available to those most in need of it (and to allocate its resources accordingly), **bearing in mind in particular the needs of people in vulnerable circumstances.'** In September 2019, the MaPS Board adopted a set of principles outlining how they would achieve this:

- Focus resources on those whose current circumstances mean they are either suffering financial detriment or at risk of suffering financial detriment in the future.
- Believe that people currently in vulnerable circumstances are those who are especially susceptible to financial detriment for themselves or their family due to one or a combination of the following factors:
  - a personal characteristic such as a serious mental health condition or cognitive impairment;
  - the impact of a recent life event such as a bereavement; and
  - a low level of skills required for good financial capability.
- Work with consumers in vulnerable circumstances to improve their ability to manage money and pensions and to reduce the risk of financial detriment.
- Ensure that all MaPS services are accessible to people with protected characteristics, including those people with disabilities and long-term physical and mental health conditions.

The Financial Conduct Authority's approach

The Financial Conduct Authority (FCA) defines a person in vulnerable circumstances as *"Someone who, due to their personal circumstances, is especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care."*[17]

In its Approach to Consumers, the FCA sets out what drives actual or potential vulnerability:

- **health –** health conditions or illnesses that affect the ability to carry out day-to-day tasks;
- **life events –** major life events such as bereavement or relationship breakdown;
- **resilience –** low ability to withstand financial or emotional shocks; and
- **capability –** low knowledge of financial matters or low confidence in managing money.

The FCA's Principles for Business, which apply to all companies it regulates, require that: "a firm must pay due regard to the interests of its customers and treat them fairly." This represents the FCA's overarching expectation of how firms should treat their customers, including vulnerable consumers such as those with mental health problems.

In July 2019, the FCA issued a consultation document on proposed guidance for firms on the fair treatment of vulnerable customers. This would steer firms to ensure that they were 'treating customers fairly,' so it could potentially have a significant impact. The draft guidance included:

1. A clear call to action for financial services firms to improve their treatment of consumers in vulnerable circumstances, and an ambitious vision, calling on providers to ensure that outcomes for vulnerable consumers are at least as good as those experienced by everyone else.
2. The fact that vulnerability should be a key consideration in the design of financial products and services, ensuring that the additional and different needs of people are considered right from the start of designing systems, products and processes.
3. A clear steer from the FCA on how firms can improve their approach to consumers in vulnerable circumstances.

The FCA is expected to publish the final guidance by the summer of 2020.

Breathing Space

The new Breathing Space policy instrument was introduced within the Financial Guidance and Claims Act 2018. It aims to give people in problem debt the opportunity to take control of their finances and put them on a more sustainable long-term footing. Due to be implemented in early 2021, it will give certain individuals legal protections when they seek debt advice, such as the suspension of further fees and charges as well as protection from collections activities (including creditor communications) during the debt advice period.

The Breathing Space scheme also includes an alternative access mechanism for people receiving NHS treatment for a mental health crisis, either at a psychiatric in-patient setting or in the community. This would allow individuals the protection of breathing space when they do not have the ability to engage with a debt adviser, which is likely to be the case if they are experiencing a mental health crisis. An individual who enters a Breathing Space through this route will have all the protections of the main scheme.

Approved Mental Health Professionals will need to complete an assessment demonstrating that an individual is receiving mental health crisis care, which will allow debt advice agencies to provide access to Breathing Space.

At the end of the patient's crisis care period, the Approved Mental Health Professional would need to notify the debt advice agency, who will be responsible for updating the Breathing Space portal. After care ends, mental health Breathing Space will continue for a set period of 30 days, allowing a person leaving treatment to adjust to the transition from crisis care before starting to receive communications from their creditors. This will provide a period of reflection for the individual to consider their finances and whether they want to engage with debt advice and work towards a debt solution.

[17] Coppack, M., Raza, Y., Sarkar, S., and Scribbins, K. (2015). *Consumer vulnerability*. London: Financial Conduct Authority

The Competition and Markets Authority Perspective

In their report *Consumer vulnerability: challenges and potential solutions*, the Competition and Markets Authority (CMA) considered vulnerability experienced due to a consumer's characteristics, rather than the behaviour of markets. They focused on four characteristics associated with consumer vulnerability: mental health problems; physical disabilities; age; and low income. These were chosen on the basis that the CMA's experience and previous research suggest that consumers with these characteristics may face additional, specific challenges in engaging across a range of markets.

They recognise that this does not mean that all individuals with such characteristics are necessarily vulnerable, and that many individuals within these groups do not see themselves (or want to be described) as 'vulnerable'. In relation to people with mental health problems, the report considered issues around fluctuating abilities to manage their affairs; a greater propensity to be in debt; a lack of cognitive 'bandwidth'; and some individuals being more averse to change. All lead to poorer outcomes in financial markets.

The CMA proposes five high-level principles to guide their future work to develop remedies to overcome the challenges that these consumers face:

1. Finding out what works: The importance of trialling and testing interventions to find out what works and ensure that any remedies have been proven to make an impact.
2. Inclusive design of products or services so they are accessible to and usable by as many people as possible.
3. Making use of data sharing, open data and work with trusted intermediaries to secure better outcomes for consumers in vulnerable circumstances.
4. Ensuring the CMA takes a part in changing business practices where they are currently poor, either directly or through other regulators, and including through enforcement action.
5. Exploring the potential for the CMA to regulate outcomes where markets are not working for consumers in more vulnerable circumstances, for example through price caps.

What are the devolved considerations?

The devolved nature of mental health services means that the landscape is very different in each of the four nations and there is differing recognition of the interplay between mental health and financial wellbeing.

Together for Mental Health – a Mental Health and Wellbeing Strategy for Wales was launched in October 2012. It sets out a 'vision for 21st century mental health services' with the aim of promoting mental wellbeing and preventing mental health problems, as well as improving mental health services. It also aims to encourage early intervention when people are diagnosed with psychiatric illness, and to reduce the impact of serious mental illness.

The goal is to ensure that people of all ages experience sustained improvement to their mental health and wellbeing as a result of government-wide commitment to all sectors working in areas including finance and money. This acknowledges the negative effects of poverty and the need to assist people who, because of illness, may neglect their personal finances and have debt problems.

The strategy is being implemented by Local Authorities and the Health Board in each of the six Local Health Board areas, overseen by a Together for Mental Health Partnership Board.

The Mental Health Strategy for Scotland was launched in 2017, and is a ten-year plan intended to prevent and treat mental health problems with the same commitment, passion and drive as physical health problems, through a focus on:

- prevention and early intervention;
- access to treatment, and joined-up, accessible services;
- the physical wellbeing of people with mental health problems; and
- rights, information use, and planning.

There is no specific provision related to money and mental health.

There is information about where to get help for money problems on mygov.scot, and Support in Mind Scotland runs the Mental Health & Money Advice service in Scotland.

Northern Ireland is the only region of the UK that does not have an overarching mental health strategy, despite the fact that rates of mental illness are higher than in any other part of the UK, and at least 25% higher than in England.

Under its 'New Decade, New Approach' agreement, the Northern Ireland Executive indicated that it will produce a mental health action plan and strategy by December 2020.

What is MaPS already doing in this space?

MaPS already provides a range of support and advice for people concerned about money and pensions, and has special procedures in place for dealing with people who are in crisis or have mental health problems. Additional research and trial projects are helping MaPS build on its understanding of the problem and potential solutions.

Operational approach

MaPS's websites, tools and contact centres for both money and pensions offer a range of channels, allowing those with particular anxieties and concerns to access guidance, while also signposting them to face-to-face debt or pensions guidance where appropriate.

In the money guidance contact centre, there are measures in place to protect the safety and well-being of customers, including those in a vulnerable situation and those requiring immediate additional support – this is referred to as a crisis incident. MaPS ensures that agents are appropriately trained and supported to manage such incidents, including where customers are distressed or at risk. MaPS are also proposing a trial of additional support for victims of pension fraud whose mental health has been affected.

MaPS's website includes guidance on as on both mental health and mental wellbeing and money. In 2019:

- The mental health section received over 2,400 visits. 60% of visitors are female and nearly 50% of all visits are through a desktop.
- The mental wellbeing section received over 42,000 visits. Over 60% of visitors are female and over 50% of all visits are through a mobile.

Research

In 2018, MaPS funded a **collaboration between Bristol University's Personal Finance Research Centre, the Money and Mental Health Policy Institute and the Money Advice Trust, to research the experiences, challenges, and opportunities that debt advisers face when working with clients in vulnerable situations.** The report, *Vulnerability: the experience of debt advisers*, also outlined the experiences of debt clients with mental health problems.

- In a typical month, a full-time adviser will deal with 35 clients who disclose a mental health problem to them, over a third of their total number of clients.
- Of those people with mental health problems who had received debt advice, four in ten said they had not disclosed their mental health problem to the debt adviser.
- Nearly half of those with mental health problems reported issues with the accessibility of debt advice, ranging from problems in making contact through to difficulty in understanding the adviser.
- Half of the advisers surveyed had spoken to a client whom they seriously believed might go on to kill themselves, but 31% of advisers had never received any training in suicide prevention.

The report also provides practical guidance and good practice recommendations for advisers and their organisations.

MaPS and the Money and Mental Health Policy Institute (MMHPI) are carrying out research to understand the needs of people with mental health problems in relation to debt advice. This will include a literature review, survey and focus group with those with experience of debt advice, and a review of processes and solutions.

A report will be published in Spring 2020, making recommendations to providers, regulators and funders, including a best practice checklist. This report will enable MMHPI and debt advice providers to respond to the FCA's final guidance on the treatment of vulnerable customers, and also inform MaPS's work on recommissioning of debt advice from April 2021.

MaPS is supporting 'Money Supporters' pathfinders to test ways of reaching vulnerable adults with money guidance, via professionals who already work with target groups. Money Supporters will be trained to provide general financial guidance as part of their holistic support provision, enhancing their confidence and competence in talking about money issues, understanding and identifying issues, and signposting to appropriate sources of specialist support.

In Wales, MaPS is training 200 frontline mental health practitioners, in sectors including education and housing, to become Money Supporters, working with Hafal, a mental health charity, to deliver training across all Welsh regions. In Scotland, MaPS is working with Shelter Scotland to deliver Money Supporter training for 250 practitioners in the supported housing sector, while in England MaPS is working with Shelter to train 160 practitioners working with offenders and ex-offenders.

What else is already going on in this space?

Existing initiatives are available to help people with mental health problems in tackling financial issues, with several more in the early stages of development. There is a shared view across the industry that people with mental health problems experiencing financial difficulties need better support.

The debt and mental health evidence form

First developed in 2008 but since updated, the debt and mental health evidence form is a tool to inform creditors if a person has mental health problems. It is usually solicited by debt advisers from a customer's doctor or health professional[18] and should be taken into account by the creditor in dealing with the customer.

The Money and Mental Health Service

Funded by Lloyds Banking Group, the Money and Mental Health Service was developed by Mental Health UK, a UK-wide charity that represents its four member charities; Rethink Mental Illness in England, MindWise in Northern Ireland, Support in Mind in Scotland and Hafal in Wales. The service is a website that provides free and impartial information and advice for anyone affected by mental health and money issues, including friends, families, carers and professionals.

Improving access to essential services for people experiencing mental health problems

Millions of people with mental health problems struggle to use essential services because of difficulties making phone calls, opening post or filling in complex forms. In 2019, the Money and Mental Health Policy Institute (MMHPI) launched the first ever Mental Health Accessible Standards to help essential services firms such as banks, energy suppliers and water companies better understand the challenges that customers with mental health problems face, and to make their services easier to use.

MMHPI research shows that:

- More than half of people with mental health problems (54%) have serious difficulties using the phone to carry out essential admin.
- More than one in five (22%) people with a recent mental health problem have had a panic attack while dealing with essential services.

These challenges leave many people with mental health problems out of pocket and stuck with services they don't want or need. Even worse, they make people trying to get a basic service like banking or electricity feel distressed or even suicidal.

[18] And always requested with the customer's consent.

The standards test firms on how accessible their services are for people with mental health problems, and then make recommendations on how they can improve. MMHPI are working with Lloyds Bank plc to pilot the standards. Lloyds will be the first bank to be assessed against these new standards and will use this insight to improve access to their services for people with mental health problems.

The Mental Health Accessible Standards sit alongside MMHPI's ongoing work with regulators and government. MMHPI also supports the UK Regulators Network's exploration of minimum standards for firms supporting consumers with mental health problems across essential services, following a commitment in the 2018 Consumer Markets Green Paper.

Improving access and services for customers experiencing mental health problems remains a focus for regulators, including the Financial Conduct Authority and Ofcom, who are both in the process of updating requirements and guidance around the treatment of vulnerable customers.

The MMHPI is currently starting a project with King's College London to design and test a money advice intervention in Improving Access to Psychological Therapies, NHS England's largest talking therapies programme. Funding has been secured, and work should begin in late Spring 2020.

What do we know about what works?

Early intervention when people first access support for mental health problems can make a real difference. Proactively offering practical and emotional support, whether through healthcare professionals or financial institutions, can also prevent problems or limit the damage they cause.

Supporting debt advice clients with mental health problems

In the report *Vulnerability: the experience of debt advisers*, tools and techniques are described showing how debt advisers can support people with mental health problems. The resources cover five areas of adviser practice, as they move from identification to support.

1. Starting conversations with clients about their mental health.
2. Managing disclosures – through use of the TEXAS protocol.
3. Understanding vulnerability – having more in-depth conversations using the IDEA tool.
4. Managing challenging behaviours – with a number of strategies for dealing with such behaviours.
5. Using information to support clients – making decisions on the best way to support clients.

Preventing financial problems associated with mental health problems

Mental health problems are often associated both with a reduction in income, for example if people need to take time off work, and also with increased costs associated with poor health, as well as difficulties managing money.

Recent research by MMHPI explores how health professionals and others could better support people who are struggling with their mental health to avoid financial difficulty. The research found that only one third (33%) of those who had received medical care for a mental health problem were asked or spoken to about financial management by a health professional. Those who did receive information or support with managing money were usually offered this in a specialist mental health service, but with nine in ten people experiencing a mental health problem treated in primary care (for example their GP), this means many will be missing out.

People experiencing mental health problems need earlier support to avoid financial difficulties, and the sooner that support is available, the more likely they are to be able to take it and act on it. Nearly two thirds of research participants (64%) with experience of mental health problems thought they would have recovered more quickly if they had been helped to manage money better.

MMHPI called for a very brief intervention around financial difficulties associated with mental health problems to be introduced in primary care settings, similar to existing schemes around smoking and domestic violence.

However, offering support via healthcare services would only reach the four in ten people (39%) who are receiving treatment for their mental health. The remaining six in ten people (61%) who are experiencing a mental health problem but either don't have a diagnosis or aren't receiving support will not be reached

MMHPI called for MaPS and Public Health England to work together to develop and distribute materials with information and guidance to prevent financial difficulties associated with mental health problems. These preventative information materials could be distributed in a range of everyday settings, including by Local Authorities, employers and essential service providers, and through the benefits system. Offering this kind of information and advice across a variety of settings that people experiencing mental health problems are likely to have contact with is one way to ensure that people are helped to avoid financial difficulties.

Using financial data to identify consumers at risk

MMHPI has also recently explored how banks and building societies could use the financial data they hold to identify people at risk of financial difficulties, and offer timely support. Banks and building societies may be able to spot indications of vulnerability, such as a reduction in income, changes in spending behaviour or missed bill payments. Timely support from financial services providers, if offered in the right way, could help people get the support they need and improve both their both financial wellbeing and mental health.

Half of all adults (50%) think their bank or building society should use their financial data to identify problems and offer support, with just one in ten (12%) disagreeing. People with mental health problems are particularly enthusiastic about the prospect of proactive support with their finances. Not only are they more likely to experience financial difficulty, but the symptoms of mental health problems can make it harder for an individual to spot that they have issues and to ask for help.

What are some possible game-changing ideas?

During MaPS's listening phase, a list of "game-changing ideas" was gathered from various sources, including a deep-dive workshop held in June 2019.

MaPS is making the list of ideas that emerged from this process available to all the Challenge Groups, as a stimulus to your creative thinking.

These are presented as a single consolidated list, so not all the ideas will be obviously relevant to your Challenge. But ideas can be stretched and adapted, so do consider how they might be re-shaped to fit your audience and your challenge.

By gathering this list together, MaPS does not necessarily endorse (or repudiate) any of these ideas. Part of the purpose of presenting this list is for you to consider the ideas themselves. But just as important is to stimulate thinking in your Group about the scale of innovation and disruption that may be needed, over a 10-year period, to make an impact on the National Goals.

Some of the ideas imply quite radical shifts in Government policy and/or changes in the law. Again, neither MaPS nor its governmental sponsors should be seen as endorsing these ideas, but should you consider them undesirable or infeasible, the intention is that they will stimulate your own best thinking.

G1	**Rent Flex rollout**	This idea focuses on the social tenant space, and involves rolling out Rent-Flex across the UK, to help tenants take more active control of credit and manage their money, and to help landlords manage the risk their rents. The Rent Flex concept involves a combination of tenants having options to spread their total annual rent bill, by paying more rent in some months and less in others, rather than the same amount each month. This flexibility is conditional: recipients must take up a face-to-face guidance offer on general money management skills before they have access to Rent-Flex.
G2	**Public sector collections practices**	This idea could involve the Government encouraging / mandating better credit practice in its own collection activities, as well as setting a good example for creditors in other sectors.
G3	**Money companion app/Debt-free You**	This idea involves a central, neutral entity (possibly but not necessarily MaPS) aggregating data from financial services firms, including from open banking, and turning the insight obtained into guidance which is given back to customers through their own personalised app. The guidance provided could be tailored to the individual and therefore could be very close to the regulatory boundary for advice. It could include offers, tips and suggestions relevant to individuals, and could help them save money. It could ultimately be linked to the Pensions Dashboard, to encourage people to think about the long term as well as day-to-day. It could also include a "Debt free You" function which could aggregate people's debts and show the date when they will be rid of them, as well as options for bringing that day forward.
G4	**Take guidance / advice, save tax**	This idea involves offering employees tax deductions for any money they spend on guidance and regulated advice, with the view to stimulating market demand for both. Employers could offset investments they make in providing their staff with financial advice or financial training against employer NI contributions; employees could offset money spent on financial advice/training against their employee NI contributions. Both employee and employer could have aligned incentives and this could grow the market (demand) for both guidance and advice.
G5	**Longitudinal evidence bet**	This idea involves a central, neutral entity (possibly but not necessarily MaPS) investing in obtaining compelling, quantified and independently validated evidence about the benefits of improved financial capability over the medium-to-long term, in order to convince many sectors of society (employers, health authorities, children's services) of the cashable advantages of having financially confident employees, citizens and pupils.

G6	**Campaigns**	This idea involves a central, neutral entity (possibly but not necessarily MaPS) investing significant sums of money (up to £100m per year) in running regular consumer campaigns. Examples of possible campaigns include: • The Great Save. A goal of £500 in savings for everyone in the country, with a multi-layer campaign, TV show etc to mobilise it. • Live on Your Pension Week – designed to get people to engage with their pension and take action much younger, bringing home the reality of how much they will – or won't – have to live on. Access would be via an app, so that people can estimate how much money they will have after housing and energy costs. This app could offer hints and tips for the week. The Week could be integrated into the Talk Money Talk Pensions Week. It could need an advertising campaign linked to social media, PR and activity by a range of partners. It may be possible to get support for a large push behind this when the Pensions Dashboard goes live. • Work Longer campaign – getting people to design a more financially sustainable later life plan. • Child Trust Fund – aimed at young people who are accessing their fund at 16 (with their first tranche in 2019) and at 18 (first tranche in 2020). Many of the other ideas in this list could be linked to this campaigns idea.
G7	**Discount aggregator**	This idea is to work with employers to deliver against all the national goals that apply to working-age people, through a discounted offer working with an aggregator site (eg moneysupermarket or one of its competitors), thereby attracting employees to a guidance offer. A central, neutral entity (possibly but not necessarily MaPS) could negotiate mass bulk discounts for employers that opt into the scheme. For an employee, they could have access to 1) all of the aggregator site's products at a 4% discount, 2) a guidance session that helps them choose discerningly between the linked financial products, and 3) more general guidance and tools that help them to consider the linked choices around savings, credit, debt and pensions. The discount could increase employee engagement, and the guidance could be useful to the employees, to help them make best use of the discounted products.
G8	**Automatic sidecar savings**	This idea involves lobbying for legislation that could put sidecar savings on a similar footing to auto-enrolled pensions, enabling employers to include staff into payroll saving schemes by default.
G9	**Employers' charter**	This idea involves setting out a range of highly desirable corporate behaviours and offers that employers could sign up to, which (if implemented by many large and small employers) could build towards a more financially capable workforce.
G10	**Work and health programme**	This idea builds on the work and health programme: as it is rolled out, DWP and accountable Local Authorities could mandate the supply chain to improve the financial capability of their clients, and assess their financial resilience through their monitoring frameworks.
G11	**Credit balance on utilities**	This idea involves Ofgem working with the big energy firms to provide regulatory space for, and co-ordination of, an intervention in which unclaimed credit balances on utilities above a certain sum could go by default into an interest-bearing savings account.

G12	**Superlabs**	This idea involves scaling up the MaPS Financial Capability Lab in terms of size, ambition and funding, so that it becomes a continual hunt for game-changing products, services and interventions, with significant seed funding to commercialise them. Ideas that are selected and prioritised in the Lab could then be delivered by public, private or voluntary sector organisations. The Labs approach could be applied to all customer groups and outcomes.
G13	**Challenge prizes**	This idea involves creating a challenge prize with significant funding on offer for game-changing initiatives and interventions in relation to each of the National Goals. The challenge prizes could be structured so that the ideas generated are as ambitious, specific and outcome oriented as possible. An example of a challenge could be "how can you treble the savings rate of children in a given cohort?"
G14	**Income Max**	This idea could involve reaching the most vulnerable people by providing highly knowledgeable, effective and active local workers who specialise in maximising income – not just from benefits, but from all possible community sources. The Income Max experts would also know how to help people who want to (eg) sell unwanted possessions on eBay, and who are serious about taking up money-saving tips to turn their lives around. Rather than focusing on managing money problems as the engagement offer, the offer could be the prospect of having more money.
G15	**Franchised Pension Wise**	This idea involves MaPS commoditising and licensing the Pension Wise guidance offer so that a range of financial service providers can deliver it through their own staff, increasing supply and bringing the service closer to the point of contact with the customer.
G16	**"Cigarette packet" warnings**	This idea could involve the Government allowing "harmful" financial products (eg payday loans over a certain APR) to exist in the market, but requiring them to be labelled with much more negative messaging – following the lines of what has happened with cigarette packets.
G17	**Intergenerational money mentors**	This idea involves mobilising civil society and leveraging a largely untapped cohort of older volunteers who have some good financial life lessons to share and who are willing to volunteer. These older people could be connected to children and young adults in an institutional setting (e.g. schools, parenting classes). A skilled facilitator could ensure that the class delivers useful knowledge that was appropriate and relevant to the target group. 1-2-1 sessions could also be available, in which older people could mentor younger people (this could include pointing them towards more detailed / specific financial guidance and advice).
G18	**Money first aiders**	This idea involves offering relevant professional development for people who meet and interact with working age people on a daily basis (e.g. around supported housing, offender management, mental health or parental wellbeing). The relatively light-touch training could enable these professionals to have conversations about financial topics, to identify / diagnose issues, and to refer to appropriate organisations so that the working age people they work with can get the financial information, guidance and advice they need.
G19	**Save money, save the planet**	This idea aims to leverage momentum and interest behind the environment / sustainability agenda, and to link this to financial behaviours (the rationale being that what is good for the planet is good for your wallet too). This idea could include a range of initiatives, including sustainability hubs (e.g. a repair/swap service for broken white goods, reduced council tax depending on the amount that is recycled, partnerships with recycling apps, or campaigns with influencers such as Marie Kondo).

G20	**Tax incentivised investment scheme for first 10 years of employment**	This idea aims to encourage young people to invest early: young people who may have the funds to do so, but may feel that investment isn't for them, and so risk their (mainly cash) savings being eroded due to inflation etc. It could involve investment accounts that are used during the first 10 years of employment attracting tax incentives. This could be executed via employers through the payroll, and could be subsidised by the Government.
G21	**Volunteer army + syndicated webchat**	This idea could involve a collaborative guidance offer delivered via webchat. A central, neutral entity (possibly but not necessarily MaPS) could syndicate webchat buttons on websites of financial services providers. The webchat guidance sessions could be provided by practitioners from across the financial services sector who volunteer to deliver webchat sessions, offering expert but impartial guidance. The rationale for focusing on the webchat channel is its efficiency, and ease of insertion into places where customers go for financial information, guidance and advice. Volunteers would not need to travel to a destination to be available for webchat.
G22	**Discounted financial advice**	This idea could involve employers offering their employees heavily discounted (e.g. half price) financial advice with trusted and FCA authorised financial advisors. A gateway guidance service could be provided by MaPS.
G23	**Financial "driving licence"**	This idea could involve consumers having access to free self-service financial education that enabled them to demonstrate a level of financial knowledge and skill, which could result in the issuing of a card or certificate.
G24	**Mandatory GCSE**	This idea could involve personal finance becoming a mandatory GCSE (or equivalent) qualification in all secondary schools across the UK, so that nobody could leave school without demonstrating that they knew how they should manage their money.
G25	**Early pension withdrawal for financial shocks**	This idea could involve a gated process whereby a proportion of a pension fund could be withdrawn if the person concerned had suffered an unexpected life event that led to significant and otherwise disastrous crisis debt.
G26	**Credit Unions Marketing Board**	This idea could involve establishing a body or centre of expertise that is funded to market the products and services of credit unions, in the same way that the Milk Marketing Board, Potato Marketing Board etc marketed products on behalf of all producers.